Department of Finance

News Release

Immediate release

Ottawa, January 23, 2007
2007-005

Release of *The Fiscal Monitor*

The Honourable Jim Flaherty, Minister of Finance, today released *The Fiscal Monitor* for November 2006.

Highlights

November 2006: budgetary surplus of $0.3 billion

There was a budgetary surplus of $0.3 billion in November 2006, slightly higher than the restated $0.1-billion surplus in November 2005. Budgetary revenues increased by $1.0 billion, or 6.0 per cent, due to strong growth in personal income tax revenues and a large gain in non-resident withholding taxes, partly offset by lower excise taxes and duties. Program expenses increased by $1.1 billion, or 7.8 per cent, reflecting increases in transfer payments and departmental operating expenses. Public debt charges were down $0.3 billion.

April to November 2006: budgetary surplus of $6.1 billion

For the first eight months of the 2006–07 fiscal year, the budgetary surplus is estimated at $6.1 billion, down $0.5 billion from the $6.6-billion surplus posted in the same period of 2005–06. Budgetary revenues rose $6.4 billion, or 4.6 per cent, reflecting solid growth in income tax revenues, partly offset by declines in excise taxes and employment insurance premium revenues. Program expenses were up $7.1 billion, or 6.4 per cent, due to both higher transfers and other program expenses. Public debt charges were down $0.1 billion.

Please note:

Beginning with the April Fiscal Monitor, *to facilitate comparison with the 2006–07 monthly results, revenues and expenses from 2005 have been restated on a gross reporting basis, consistent with the presentation in Budget 2006. As well, revenues have been restated to evenly distribute the cost of the retroactive increase in the basic personal amount and the reduction of the 16-per-cent tax rate to 15 per cent for the 2005 taxation year. The restatement of revenues also has an impact on reported surpluses for the April-to-December 2005 period.*

2007-02801/

The Fiscal Monitor is a monthly document that provides highlights of the federal government's fiscal performance, including monthly revenues, expenses, the budgetary balance and the financial source/requirement.

For further information, media may contact:

Eric Richer
Press Secretary
Office of the Minister of Finance
613-996-7861

David Gamble
Media Relations
Department of Finance
613-996-8080

www.fin.gc.ca

If you would like to receive automatic e-mail notification of all news releases, please visit the Department of Finance website at www.fin.gc.ca/scripts/register_e.asp